

**Date:** December 4, 2012  
**To:** Thomas J. Bonfield, City Manager  
**Through:** Keith Chadwell, Deputy City Manager  
**From:** Donald F. Greeley, Director, Water Management  
Jerry F. Morrone, Engineering Supervisor  
**Subject:** New Elevated Storage Tank Engineering Design Services  
Contract, Amendment #2, Kimley-Horn and Associates

### **Executive Summary**

In 2008, the City approved the selection of Kimley-Horn and Associates, Inc. (KHA) to provide engineering services for the design, permitting and construction of a 3 million gallon (3 MG) elevated storage tank. During design and permitting, additional services were performed by KHA at the City's request. These additional services included Site Plan approval, Minor Special Use Permit, stormwater permits and various minor design changes. In order to compensate KHA for the additional services provided during final design and permitting a contract amendment is needed.

### **Recommendation**

The department recommends the City Council:

1. Authorize the City Manager to negotiate and execute a contract amendment with Kimley-Horn and Associates Inc. for additional services related to the contract for additional costs not to exceed \$98,067.34; and,
2. Authorize the City Manager or his designee to negotiate change orders for the contract provided that the total project cost does not exceed \$770,767.34;

### **Background**

In 2008, the City approved the selection of KHA to provide engineering services for the design, permitting and construction of a 3 million gallon (3 MG) elevated storage tank. Part of the design services performed by KHA was to assist the City with locating the proposed tank. A preliminary engineering report identified several potential sites for the tank. The City selected a site on Angier Avenue near the intersection with Miami Boulevard. Geotechnical work was then performed to see if the site was suitable for the proposed tank. The geotechnical report showed the site was suitable for the tank and the City proceed with acquiring the site. Two parcels were acquired for the site.

At the time the contract was negotiated the final tank site was unknown. Since the site permitting was also unknown the costs associated with permitting were to be done on a cost plus basis.

### **Issues and Analysis**

During design and permitting, additional services were performed by KHA at the City's request. These additional services included Site Plan approval, Minor Special Use Permit, stormwater permits and various minor design changes. In order to compensate KHA for the additional services provided during final design and permitting a contract amendment is needed. A summary of these costs are below:

• Site Plan	\$ 44,243.69
• Minor Special Use Permit	\$ 30,912.96
• Stormwater Permit – City/County	\$ 11,194.23
• Construction Document Review	\$ 401.27
• East Durham Tank Modifications	\$ 11,315.20
Total	\$ 98,067.35

As indicated above the costs associated for the additional work was done on a cost plus basis. Due to the location of the tank a Minor Special Use Permit was required because of the zoning on the parcels. The parcels are currently in the County. At a future date it is anticipated the site will be annexed into the City. The Department sought both a County stormwater permit for now and a City permit for the future.

DWM staff requested that third-party hydraulic modeling be performed to supplement project design and confirm the interdependence of the proposed Angier EST with the City's other two ESTs (East Durham EST and the Ellis Road EST). As a result, staff requested that the Engineer incorporate into this project instrumentation and controls for the three (3) ESTs to 'communicate' with each other so that the ESTs act as a single system. This additional design work also required designing an upgrade of an old valve and vault system at the East Durham EST. Additionally, some construction documents were updated associated with this work.

The Department has reviewed additional services request and recommend an amendment to the KHA contract.

#### **Alternatives**

Alternative 1 - Redirect construction inspection fees to cover the additional design and permitting effort by engineer– This option is not recommended. It is critical that a high level of inspection occur throughout all stages of the contract to confirm that the City receives a high quality of work and good recordkeeping. This would necessitate the City negotiating an additional inspections services contract to finish the oversight of the project at a higher cost then what is proposed.

#### **Financial Impact**

Funding for this contract was budgeted for the Finished Water Storage Improvements Account. There are currently funds available in the account below:

Finished Water Storage			
Improvements	\$	\$98,067.34	4100P761-732003-P0401

#### **SDBE Summary**

This is a contract amendment and was not reviewed for compliance with the Ordinance to Promote Equal Opportunities in City Contracting